SUCCESS STORY

Harmonizing Customs Documentation

The single customs declaration form facilitated by the **Southern Africa Trade Hub** is reducing administrative burdens and transit times in an increasing number of countries in the region



The Single Administrative Document (SAD 500) introduced to the TKC as a result of work by the Trade Hub is being extended to Mozambique, Lesotho and Swaziland, Other Southern African countries may soon join the initiative which was designed to reduce the cost of moving goods along regional frontiers through a single customs declaration made in the originating country.

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The competitiveness of goods from the Southern African region is compromised by high transportation costs. Contributing to this problem is the fact that countries in the region each use distinct declaration forms and procedures. This results in costly delays as the customs declaration process has to be repeated at each border.

The Southern Africa Global Competitiveness Hub identified this lack of harmonization as a source of inefficiency. In 2004, it proposed and initiated the Trans Kalahari Corridor (TKC) Single Administrative Document (SAD) Pilot Project, a trilateral initiative among the Governments of Namibia, Botswana and South Africa. The Customs Administrations of these three countries have since adopted common procedures, processes and legislation for the use of the common document (the "SAD 500"). This has lowered transport costs by reducing administrative procedures and speeding up transport times.

Building on the success of the TKC Pilot, the Hub promoted an expanded harmonization across the major corridors of the SADC region, including the Dar es Salaam Corridor, the Maputo Corridor and the North-South Corridor (linking South Africa with Zambia through Botswana) – which will result in the adoption of the SAD 500 throughout the region.

At a meeting in Maputo in July 2005 it was decided that the TKC Procedures and SAD 500 will be modified and extended to these corridors as soon as 2006, starting with the Maputo Corridor. The initiative along the Maputo Corridor will require the adoption of uniform customs rules and procedures to facilitate 'one-stop' processes, the introduction of a common clearance document (SAD 500) and the integration of systems. This initiative will also be used to introduce joint Customs controls ('one-stop border') at selected border posts.

The simplified and harmonized Customs transit procedures will reduce the cost of moving goods within the region by providing for one single legal document throughout the transit movement the declaration made in the originating country.